

I know AARP and the American Medical Association are trying to tell seniors these cuts will actually be good for the Medicare Program and the program would not be harmed, but let's be honest. When you think about it, does it really make any sense? Congress is going to cut \$465 billion from a program that is already facing bankruptcy, and it will somehow make it stronger? If you believe that, I have some oceanfront property to sell you in Arizona.

Under this bill, hospitals will be cut, nursing homes will be cut, health home agencies will be cut, hospices will be cut, and Medicare Advantage programs will be cut. By cutting the reimbursement rate for providers, they are making it harder for seniors to find medical providers to treat them. Plain and simple: Seniors will have the same benefit, but if they cannot find anyone to treat them, then their benefits don't do them any good, do they?

I have to tell my colleagues there isn't one medical provider who walks in my office each year who is happy with their reimbursement rate under Medicare. I cannot think of one. Hospitals are not happy. The doctors are not happy. Hospice care providers who provide such valuable services to dying Americans and their families are not happy. No one is happy.

What do you think is going to happen to these reimbursements when the cuts go into effect? How happy will the providers be then?

Another problem with this bill is the creation of a government plan. I can say I do not support a government-run plan in any form. I have already described the significant problems with Medicare and Medicaid. Creating a new government-run health program will lead to the same sort of problems that plague these plans.

I fear it will eventually undermine private insurance enough so we are left with a single-payer, government-run system. I have been in Congress long enough to know it will be a disaster for this country.

Finally, this bill imposes an unprecedented tax increase on Americans. The tax hikes in this bill would start hitting Americans next year, while the spending and benefits will not start, in many cases, until 2014. That is how the majority is hiding the true cost of the bill—using 10 years of tax hikes to offset 6 years of spending.

Everybody knows tax increases are deadly in a fragile economy. But that is not preventing the majority from pushing through $\$ \frac{1}{2}$ trillion in tax hikes in this bill. In further defiance of logic, these tax increases will actually drive up the cost of health care. I was under the impression the goal of health care reform was to reduce costs, not increase them.

As I mentioned earlier, if you have the misfortune of being uninsured, you will be further punished under this bill by paying a penalty tax. If you are an employer that hires a low-income

worker and cannot afford to provide health insurance, you probably will be punished with a penalty tax. If you are an employer that offers retirees prescription drug coverage, your taxes will go up. If you have extremely high medical costs and use itemized deductions for medical expenses to defray your costs, your taxes will go up. If you use a flexible spending account, health reimbursement account or health savings account for over-the-counter medicines, your taxes will go up. If you have a flexible spending account, it will be capped and then probably disappear in a few years because of the high-cost plan tax, so your taxes will go up.

This bill also creates a new marriage penalty in the Medicare payroll tax and uses the money to pay for a brandnew entitlement program. It also imposes a new tax on cosmetic surgery. If a family is forced to liquidate a health savings account because of tough economic times, the government will confiscate even more money.

The bill also imposes new taxes on brand-name drugs, medical devices, and health insurance, all of which will increase health care costs and drive up premiums. Now that the government has succeeded in driving up premiums, the government will hit you again by taxing high-cost insurance policies. It makes perfect sense—drive up the cost of insurance premiums with new taxes and then tax them again for being too costly.

We could have health care reform that reduces health care costs for families and businesses. We could have health care reform that didn't raid $\$ \frac{1}{2}$ trillion from Medicare. We could have health care reform that allows people who like the coverage they have to truly keep it. We could have health care reform that doesn't drastically expand government spending on health care or push people into government programs. We could have health care reform that does not increase taxes on the American people at the worst possible time, during a recession. We could have health care reform that is done in the light of day rather than behind closed doors.

The American people deserve better, and we ought to defeat this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, as I understand it, there are a couple Senators left, besides myself, Senator SESSIONS and Senator BURR. There may be others, but I see them at the moment.

America's health care system is in a crisis. It is a crisis not just for the 46 million Americans who lack health insurance; it is also a crisis for those who have health insurance but are worried they cannot afford to keep it. It is also a crisis for those who are underinsured and those who have poor health insurance.

Rising health care costs affect families and American businesses. That we

know. Health insurance premiums continue to outpace wages and inflation by a large margin. Between 1999 and 2008, premiums for employer-sponsored health benefits more than doubled. In that 9-year period, they increased 117 percent for families and individuals, and they increased 119 percent for employers. In each case, both for families and for employers, health insurance premiums doubled. Clearly, that is outpacing wages. I think the margin is 5 or 6 to 1, with premiums going up compared with wages for Americans.

Health care coverage for the average family now costs more than \$13,000 a year. If the current trend continues, by 2019, the average family plan will cost more than \$30,000. That is over a 10-year period—from \$13,000 for the average family today to \$30,000 that family will pay then.

Annual health spending growth is expected to continue to outpace average annual growth in the overall economy by 2 percent over the next 10 years. Health care spending is going up faster than the economy is growing. Add to that the insult, frankly, that this year alone not only would health spending increase 5 percent but GDP is expected to decrease two-tenths of a percent. So the gap is widening even further.

Americans spend \$4.5 million in health care every minute of every day. Think of that. We, in America, spend about \$4.5 million in health care every minute. That is \$2.5 trillion a year. It is pretty hard for anybody to get his or hands around 1 trillion, but we are talking about \$2.5 trillion that Americans spend on health care every year. Without reform, health care expenditures will increase to \$4.4 trillion in just the next 9 years. That would be more than one-fifth of our economy. So health care is taking a bigger and bigger bite out of our economy. These are not just numbers.

Every 30 seconds, another American files for bankruptcy after a serious health problem. Think of that. Every year, about 1.5 million families lose their homes to foreclosure. Why? Because of unaffordable medical costs. In America, nobody should go bankrupt because they are sick. That is immoral.

These numbers tell us what we have to do. We have to do two things at once. First, our health care reform bill must provide health care for millions of Americans who today don't have health insurance. At the same time, we must reduce the rate of growth in health care spending. We must do both. To be successful, health care reform must rein in the cost of health care spending, and we must succeed. Millions of Americans depend on it.

Our plan is to reduce the Federal budget deficit by \$130 billion over the next 10 years. Think of that. Many have said an economic recovery is through health care reform. We have to get control of our deficits. One way to do that is to get control of our health care spending. The bill before us now reduces the deficit by \$130 billion over the next 10 years.